



ENVISION ARLINGTON FISCAL RESOURCES TASK GROUP  
Meeting Minutes  
7:30 PM 10/21/21

On Line via Zoom

ATTENDEES: Gordon Jamieson (Co-Chair), David Garborino Co-Chair), Jonathan Houghton, Heather Remoff, Janet Pagliuca, Brian Hasbrouck, Select Board Member Len Diggins, Comptroller Ida Cody, Pete Howard (Secretary)

1. No need to review the open meeting guidelines – Everyone has attended these meetings before.
2. Introductions of all to Ida. Ida said she was glad to be working in Arlington where so many residents are interested in what the comptroller does.
3. Ida presented a detailed description of her job. She used 10 self-explanatory slides. See Ref 1 for a PDF version.
4. The new growth report was not discussed.
5. The Primer may need to be again updated if Ida's understanding of the Comptroller's relation to the SB is correct. Also requiring change will be if the Town Clerk becomes appointed rather than elected and if there are substantial pct changes. This task should remain on our to do list.
6. Len & Pete suggested that we hear Andrew Fisher describe what he has learned about home insurance & car insurance. He has information on the huge cost of these plans to residents and the limited value of claims paid. Gordon suggested the March meeting.
7. Heather's book publishing date still delayed.
8. The next meeting will be 12/16/21.

Ref 1: Comptroller 11.18.2021.pdf

[illegible]

# Accounting Team



- Comptroller
- Assistant Comptroller
- Principal Accounting Clerk
- Senior Accountant



# Comptroller's responsibilities

## Accounting Cycle



**Record - Monitor - Reconcile - Report**

1. **Accounts Payable** - review and pay all the bills
2. **Ledger** –adjusting entries , journal entries , close and open fiscal year
3. **Expenditures** – expenditures within budgets , compliance with procurement law CH.30B ( valid purchase orders, contracts in place, timing, etc.)
4. **Budget** – monitor departmental budgets and impose spending restrictions if necessary. Monitor revenue collection and adjust expenditures accordingly (e.g., Rink Enterprise during Covid)
5. **Credit**
  - Work closely with Treasurer to ensure we record and reconcile the debt issued as well as Authorized and Unissued
  - Credit rating agencies are analyzing our financials and it is important that we have clean audits with unmodified opinions
  - Timely borrowing for projects spread across several years
6. **Revenue**
  - All cash receipts are general fund unless specifically covered by certain statutes or provisions of MGL (departmental revolving, donations , etc.)
  - Timely grants reimbursements to avoid free cash penalties
  - Prior year reimbursed expenditures become GF revenue and close to free cash
7. **Review** – end of fiscal year entries , financial statements and state reporting
8. **Assets** – closed balance sheet and healthy Free Cash



# Comptroller's responsibilities



**Safeguard your assets**

1. Most important tool which preserves the accuracy of financial statements
2. Federal government requires that we document our internal controls and fraud risk assessment
3. The auditors express an opinion on our internal controls
4. We follow the COSO framework which is similar the private sector internal controls (Committee of Sponsoring Organizations of the Treadway Commission)
5. Most relevant internal controls applicable to our business:
  - Accounting system set up correctly – chart of accounts, link the control accounts to Revenue and Expense accounts
  - Budgetary controls / restrictions
  - User profile
  - Procurement law – proper approval channel
  - Encumbrances – all purchases must have a Purchase Order
  - Timing – goods ordered, and services rendered paid in the correct fiscal year
  - Cash receipts – posted to correct accounts
  - Fraud risk assessment – segregation of duties
  - Grants set up – reconciliation- close out

# Comptroller's responsibilities



MGL Ch 44 – Municipal Finance

- Tax Recap
- Free Cash
- Balance Sheet
- Accounts Receivable Reconciliation
- CPA (Community Preservation Act) reporting
- Schedule A - Revenue and Expenses
- Certify School End of the Year report



# Comptroller's responsibilities

## Town of Arlington, MASSACHUSETTS

### COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the Year Ended June 30, 2020

Adam Chapdelaine, Town Manager  
Ida Cody, Comptroller

Prepared by the Comptroller

- Audited Financial Statements
- Received the Certificate of Achievement for Excellence in Financial Reporting by GFOA (Government Finance Officers Association) – 5<sup>th</sup> year
- The difference between Basic Financial Statement and CAFR is that CAFR includes additional information that provides context to the basic financial statements :
  - Transmittal letter – talks about town financial policies and highlights major events such as Covid, new High School constructions, overrides , etc.
  - Financial trends over the years
  - Demographics and economic information
  - Property tax data

# Retirement Board : Ex-Officio

- Retirement Board – 5 members
  - Ex-Officio - “from the office” – all rights/obligations as other members
  - Appointed member – by appointing authority
  - Two elected members
  - Fifth member – chosen by the other 4 members
- Administration
  - Retirement Administrator
  - Administrator Assistant



# Retirement Board : Ex-Officio

- PERAC (Public Employee Retirement Administration Commission)
  - Provides oversight and guidance on operations of pension systems
  - <https://www.mass.gov/orgs/public-employee-retirement-administration-commission>
- Arlington retirement funds are in PRIT (Pension Reserves Investment Trust)
- Retirement funds are invested by PRIM (Pension Reserves Investment Management) <https://www.mapension.com/>

# Retirement Board : Ex-Officio

## Retirement Board duties:

- Review and approve monthly warrants ( payroll and expenses)
- Review and approve balance sheet
- Review and approve annual statement
- Review the funding schedule and propose annual town contribution based on Actuarial Valuations prepared by Stone Consulting
- Approve the yearly operating budget
  - Administration salaries, board stipends, rent , actuarial valuations, office supplies, investment fees, etc.
- Approve new members
- Approve retirement applications
- Review and discuss disability/accidental retirement applications